GOVERNMENT OF KARNATAKA

Social Welfare and Labour Department

Labour Dispute.—Industrial Dispute between the workmen and the management of Inter Continental Trading Corporation, Bangalore-54.

Award of the Presiding Officer, Industrial Tribunal, Bangalore, published.

Read the following Papers :

(1) Letter No. I.T. 913/74-75, dated 3rd February 1975, from Shri M. C. Konnur . Presiding Officer, Industrial Tribunal, Bangalore.

BEFORE THE INDUSTRIAL TRIBUNAL, KARNATAKA, BANGALORE.

Dated 27th January 1975

Present

Sri M. C. Konnur, LL.B., *Presiding Officer.*

I.D. No. 16 OF 1973

The Workmen of Inter-Continental Tra ling Corporation, Bangalore *I Party*

Vs.

The Management of Inter-Continental Trading Corporation, B-88, Industrial Estate, Bangalore-54 *II Party*

Appearances

For the I Party—None present

For the II Party—None present.

Reference

Government Order No. FCL 309 LLD 73, dated 29th May 1973.

AWARD

The State Government, being of opinion, that an Industrial Dispute existed between the workmen and the management of Inter-Continental Trading Corporation, B-88, Industrial Estate, Bangalore-44, referred the dispute by its Order No. FCL 309 LLD 73, dated 29th May 1973 to this Tribunal under Section 10(1)(d) of the Industrial Disputes Act, 1947, for adjudication on the folllowing points:—

I. Are the workmen of Inter-Continental Trading Corporation, B-88, Industrial Estate, Bangalore-44, justified in demanding:—

(a) Implementation of recommendations of the Chairman and independent members of Central Wage Board for Engineering Industries with effect from 1st November 1969.

(b) Two sets of uniforms and two pairs of shoes per year.

(c) Grant of 10 days casual leave with wages per year.

(d) 8 days sick leave with wages per year.

(e) That all the workmen who are on the rolls of the Company as on date of the demand notice shall be absorbed as permanent workmen.

II. If not, what relief the abovesaid workmen are entitled to ?

2. Notices were issued to the parties. The workmen, who are represented by the Secretary, Bangalore Industrial Estate Workers Union, is referred hereinafter as the I Party and the Management of Inter Continental Trading Corporation, B-88, Industrial Estate, Bangalore-44, is referred hereinafter as the II Party. After the notices were issued, it was the II Party which filed its statement first and submitted in its statement that they are manufacturers of machinery required for the plywood industry against orders and that there is no continuous production of machinery or components. Theirs is a registered small scale industry started in 1968 on an allotted site measuring 60'×40' in the Industrial Estate at Rajajinagar accommodating about 30 to 35 workmen. It is stated that they had increased the salary of the workmen in 1972 after taking into consideration the increase of cost of living index and had paid bonus also. They had recruited additional workmen for the extra work carried over from the last quarter of 1971 and as they were required to vacate the additional space occupied by them and as there was 25 per cent power cut imposed, they had to contemplate retrenchment of some workmen. To their surprise, the management received a strike notice from the I Party Union in the first week of January 1973 and the management had replied that it was uncalled for and that the management thought of considering the increase in wages in March 1973 and it was impossible to consider all the demands raised by the I Party in view of the financial

stringency and the management was, however, prepared to negotiate and come to mutual settlement with the workmen. In spite of that, the strike was continued and management was put to considerable loss. The conciliation proceedings failed and the management effected the retrenchment and the retrenched workmen accepted the retrenchment compensation. Though the industry is an Engineering Unit, it will not fall within the recommendations of the Engineering Wage Board. It is further contended that the workmen who were on the Rolls of the II Party as on 31st May 1973 had approached the management and had expressed their desire for mutual bilateral settlement and after negotiations, the settlement was arrived at between the workmen and the management of the II Party under Section 18(1) read with Section 2(p) of the Industrial Disputes Act on the pending issues such as revision of pay scales, permanency, uniforms, casual leave and annual bonus etc. and the settlement is valid for 3 years from 1st April 1973. A copy of the settlement has been sent to the Secretary to Government, Labour Department and other authorities is envisaged under Rule 59(4) of the Industrial Disputes (Mysore Rules). The workmen of the II Party are thus no where connected with the dispute and the I Party has no *locus standi* to take up their cause as the points of dispute under reference have already been mutually settled and the settlement is legally binding on the workmen and is in force.

3. The I Party, by its statement, then submitted that the settlement alleged by the II Party is illegal and not binding on the I Party Union which, according to the I Party, appeared to have been obtained under coercion and threats of retrenchment and dire consequences. It was submitted that the workmen were not for the settlement and they had authorised the Union to state that the settlement is not binding on them. The I Party reiterated their claim for enhanced wages, area allowance recommended by the Wage Board for Engineering Industry at 10%

of the basic wages, Dearness Allowance and for providing uniforms, shoes, casual leave and sick leave and also for confirming temporary or casual workmen.

4. In addition to the points of dispute scheduled in the Order of Reference, the following Issues arising out of pleadings were framed:—

1. Whether there has been a valid settlement binding on the workmen (I Party) as contended by the Management (II Party) ;

2. If so, whether the reference is not liable to be rejected on that ground ;

3. To what reliefs, if any, the I Party workmen are entitled?

5. When the matter came up for evidence before this Tribunal adjournments were sought and it was submitted that there was a possibility of settlement and negotiations were in progress. Adjournment was once again sought on behalf of the I Party submitting that the negotiations were still in progress. Subsequently, the I Party and its representative remained absent and took no interest in the matter. Both the parties evinced no interest and remained absent.

6. As pointed out above, it was the II Party who filed its statement first and the I Party had denied the alleged settlement stated to have been arrived at between the workmen and the management of the II Party. It was also alleged by the II Party that all the workmen who were on the Roll on 31st May 1973 have entered into a settlement on the points in dispute and the settlement is effective for a period of 3 years from 1st April 1973 and

as such, it is binding on the workmen under Section 18(1) read with Section 2(p) of the Industrial Disputes Act and the Reference, therefore, has to be rejected. In this regard, the I Party submitted that the alleged settlement is illegal and not binding on the I Party Union as according to the I Party, the so called settlement appears to have been obtained by coercion and threats of retrenchment and that the workmen had authorised the Union to say that the settlement is not binding on them. The II Party has produced the memo of settlement which covers all the points of dispute under Reference and it is signed by as many as 25 workmen. The copy of the settlement is also sent to the Government, Labour Department and the other authorities.

7. The issue referred for adjudication to this Tribunal casts the burden on the workmen of the II Party as to whether they were justified in putting forth their demands. As pointed out above, the workmen have remained absent and have not evinced any interest in pursuing their demands. Obviously, it appears that the management has arrived at a settlement as averred by them and it is an overall settlement covering the demands under Reference. The workmen were not interested in prosecuting this Reference. In the circumstances, therefore, the Reference will have to be disposed of either as settled out of court or for non-prosecution.

8. In the result, the Reference is disposed of for non-prosecution. No order as to costs.

(Dictated to the stenographer, transcribed by him and corrected by me).

M. C. KONNUR,
Presiding Officer,
Industrial Tribunal.

Order No. SWL 46 LLA 75,

Bangalore, Dated the 6th March 1975.

S.O. 960.—

Whereas by State Government Order No. FCL 309 LLD 73, dated 29th May 1973, the Industrial Dispute between the workmen and the management of Inter Continental Trading Corporation, Bangalore, was referred to the Industrial Tribunal, Bangalore, for adjudication.

And, Whereas the Industrial Tribunal, Bangalore, has submitted to the State Government its award in respect of the said Industrial Dispute.

Now, therefore, in exercise of the powers conferred by section 17 of the Industrial Disputes Act, 1947 (Central Act 14 of 1947), the Government of Karnataka are pleased to direct the publication of the said award as above, in the *Karnataka Gazette.*

By Order and in the name of the Governor of Karnataka,

K. MYLARAPPA,
Under Secretary to Government,
2327 *Social Welfare and Labour Department.*